



## Changes to Infrastructure Australia Needed to Improve Freight Efficiency

The Australian Logistics Council, the peak industry body for the freight logistics industry, today encouraged all major parties to pass the *Infrastructure Australia Amendment Bill 2013* through both houses of parliament to improve freight efficiency.

“ALC has long called for an enhanced role for Infrastructure Australia to ensure the right projects are being identified, prioritised and funded to improve productivity and efficiency in the freight logistics industry,” said Michael Kilgariff.

“ALC believes Infrastructure Australia should be the ‘productivity commission’ of infrastructure and needs to play a greater role in ensuring limited public funding for infrastructure projects is targeted at the right projects.

“Enhancing the role of Infrastructure Australia is a key priority identified by ALC in its pre-election document [Time to Deliver](#) as well as in a new publication released this week [Stronger Supply Chains: A Stronger Australia](#) which has been provided to all Ministers, Shadow Ministers, MPs, Senators and State/Territory Infrastructure and Transport Ministers.

“*Stronger Supply Chains, A Stronger Australia* outlines ten critical logistics issues requiring ongoing government focus and attention to improve supply chain efficiency in Australia.

“At the top of the list is the need to harness greater private sector investment in infrastructure and improved project identification – both of which we hope will be achieved under these proposed reforms to Infrastructure Australia.

“Infrastructure funding decisions need to be based on supporting projects that achieve positive long-term economic returns, rather than projects which are politically attractive but will not improve freight efficiency,” he said.

Mr Kilgariff said the Government’s proposal to establish a Funding and Financing Advisory Unit within Infrastructure Australia should also help facilitate greater private sector investment in infrastructure.

“There is strong demand from the private sector to invest in appropriate infrastructure assets which deliver returns over the long-term – the challenge before policy makers is to harness it,” he said.

“It is important, however, that the funds raised from recycled infrastructure are re-invested in infrastructure.

“We are seeing growing political support at the state level, particularly in NSW and Victoria, to recycle infrastructure assets and to use the money raised to invest in road and rail infrastructure.

“We look forward to the Commission of Audit placing a high priority on the potential economic benefits of recycling of infrastructure assets to fund new logistics infrastructure,” he said.

The [ALC Media Backgrounder on Infrastructure Financing](#) contains further information on Infrastructure Australia; infrastructure recycling and streamlining the bid process.

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